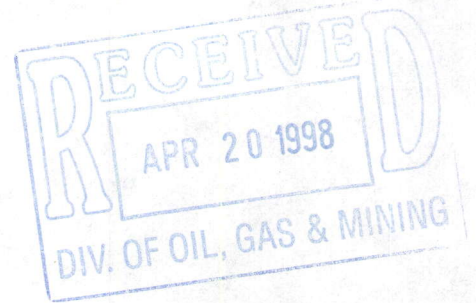


m/023/011

**NEPHI SANDSTONE CORPORATION**  
**P O BOX 137**  
**NEPHI UT 84648**  
**(435) 623-2332 OFFICE**  
**(435) 623-2343 FAX**



April 16, 1998

Tom Munson  
Division of Oil, Gas & Mining  
Department of Natural Resources  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

Dear Mr. Munson:

In a recent conversation we discussed the 7 acres of property owned by Dansie & Dansie, Inc. that is adjacent to the Nephi Gypsum Mine at the mouth of Salt Creek Canyon. Our discussion focused primarily on the reasons and justification for including and for excluding this property in the mine sites reclamation calculations.

This 7 acres is currently used as a drying and storage area for gypsum. Also a 50' x 100' open face building has been erected on the property and used as covered storage. This building has been designed and situated on the property to allow it to be expanded and even enclosed allowing for a wide variety of uses. This property is located approximately 4 blocks from the intersection of I-15 and State Highway 132. This also adds to the possible uses of the property when not used as a gypsum storage area. Some compatible uses would be maintenance facility and offices, warehousing and storage, transfer facility, as well as retail business activities, or a custom home could be built adjacent to the one built 2 years ago.

When the property was purchased this transaction was not only to benefit our current use, but also with an eye to the future. As our business grows and changes each year there are many possible uses for this 7 acre parcel. There will always be a use for this property unrelated to the gypsum mine.

Please call if you have questions.

Sincerely,

NEPHI SANDSTONE CORPORATION

A handwritten signature in blue ink, appearing to read "Bruce Evans", is written over the printed name.

Bruce Evans

BE:cmb